Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006

Message Text

LIMITED OFFICIAL USE

PAGE 01 BELGRA 02715 271705Z

56
ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 COME-00 EB-07 INR-07 LAB-04

NSAE-00 SIL-01 AID-05 FRB-03 USIA-06 TRSE-00 XMB-02

OPIC-03 SP-02 CIEP-01 OMB-01 AGR-05 DODE-00 PM-04

H-02 L-03 NSC-05 PA-01 PRS-01 SS-15 /091 W
---------- 011376
R 240806Z APR 76
FM AMEMBASSY BELGRADE
TO SECSTATE WASHDC 6411
INFO AMCONSUL ZAGREB

LIMITED OFFICIAL USE BELGRADE 2715

E.O. 11652: NA
TAGS: ECON EGEN YO
SUBJ: AMBASSADOR'S CONVERATION WITH MIKA SPILJAK

1. IN A CORDIAL CALL ON MIKA SPILJAK, PRESIDENT OF THE CONFEDERATION OF YUGOSLAV TRADE UNIONS (VHTUY), AMBASSADOR HAD OPPORTUNITY TO DISCUSS WITH HIM THE LAW ON ASSOCIATED LABOR AND UNION WAGE AND PERSONNEL POLICIES. A MEMCON WILL REPORT THE CONVERSATION IN FULL. SPILJAK WAS PERSONALLY AND PROFESSIONALLY IMPRESSIVE AND HAD AN EXTRAORDINARILY ASSURED GRASP OF YUGOSLAV SOCIAL AND ECONOMIC DEVELOPMENTS. HE DISCUSSED THE EVOLUTION OF YUGOSLAV SOCIALISM IN A WAY IN WHICH WE HAVE NOT HEARD HERE BEFORE AND WASHINGTON MAY BE INTERESTED IN HIS REMARKS.

2. SPILJAK SAID YUGOSLAVIA IS TRYING TO MAKE PRIVATE SECTOR EMPLOYMENT MORE ATTRACTIVE IN ORDER TO HELP ABSORB THE COUNTRY'S EXCESS LABOR SUPPLY. AMBASSADOR ASKED HIM IF THIS MEAN INCREASING THE NUMBER OF EMPLOYEES ALLOWED IN PRIVATE BUSINESS (CURRENT LIMIT IS GENERALLY FIVE). HE REPLIED AN INCREASE IS BEING CONSIDERED NOW. MORE INTERESTINGLY, HE EXPANDED THE QUESTION NOTING THAT THE NUMBER OF HECTARES PERMITTED TO PRIVATE FARMS WILL PROBABLY BE INCREASED IN THE FUTURE. (HE POINTED TO POLISH PRACTICE OF
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BELGRA 02715 271705Z

PERMITTING 50 HECTARES.) HE SAID YUGOSLAV SOCIAL POLICY

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006

SHOULD NOT BE CONSIDERED A DOGMA BUT MUST BE EVALUATED AS PART
OF A PROCESS OF GROWTH AND MATURATION. AS AN EXAMPLE, HE REFERRED
TO THE 1950'S WHEN OWNERSHIP OF A MOTORCYCLE WAS A SOCIAL ISSUE
AND RELATED A STORY OF A PERSON WHO WAS EXPELLED FROM THE LCY
BECAUSE HE WAS ACCUSED OF SEDUCING YOUNG WOMEN WITH HIS MOTORCYCLE.
NOW, AFTER 20 YEARS OF DEVELOPMENT IN YUGOSLAVIA, PRIVATE CARS
AND ALL THAT GO WITH THEM ARE COMPLETELY ACCEPTED. INDEED,
LOOKING BACK, IT IS HARD FOR ANYONE TO BELIEVE MOTORCYCLES COULD
HAVE BEEN A SOCIAL PROBLEM. THE POINT IS, AS THE SOCIAL SECTOR
GROWS IT INEVITABLY OPENS THE WAY FOR GREATER FLEXIBILITY AND
GREATER LIBERALIZATION IN THE PRIVATE SECTOR. SPILJAK CLAIMED LAWS
ESTABLISHING LIMITS ON NUMBER OF PRIVATE EMPLOYEES AND FARM ACREAGE
ARE INTENDED TO PREVENT EXPLOITATION OF LABOR BUT AS THE ECONOMY
AND SOCIETY DEVELOP, THE CRITERIA ON WHICH THESE LAWS ARE
BASED CHANGE. IN A POOR SOCIETY, LIMITING PRIVATE BUSINESS TO
FIVE EMPLOYEES MAKES SENSE, BUT AS THAT SOCIETY GROWS AND THE NEED
FOR SERVICES GROWS, TEN EMPLOYEES MAKES SENSE. SIMILARLY,
IN AGRICULTURE TEN HECTARES IS APPROPRIATE IN A POOR SOCIETY,
BUT WITH DEVELOPMENT FARMERS ACQUIRE ACCESS TO TECHNOLOGY
AND TRACTORS AND CAN CULTIVATE GREATER ACREAGE WITHOUT HIRING
ADDITIONAL LABOR AND THE LIMIT SHOULD BE RAISED. ACCORDING TO
SPILJAK, THE LEADERSHIP HERE UNDERSTANDS THIS PROCESS OF EVOLUTION
AND GROWTH BUT THERE IS A GAP BETWEEN UNDERSTANDING AND BEING ABLE
TO IMPLEMENT SOCIAL CHANGES. SPILJAK SAID SOME OF THE LEADERSHIP
WANTED TO SPECIFY CERTAIN SOCIAL CHANGES IN THE 1974 CONSITUTION,
BUT HE CAUTIONED THAT WOULD HAVE BEEN ARTIFICIAL AND BY WAITING,
THEY WILL OCCUR NATURALLY. THEN WE'LL ALL LOOK BACK AND ASL OUR-
SELVES HOW THERE EVER COULD HAVE BEEN A PROBLEM. FINALLY,
SPILJAK COMMENTED ON A PHENOMENA WE HAVE ALREADY NOTED --
THAT SLOVENIA IS INEVITABLY THE FIRST TO INITIATE SOCIAL CHANGES
AND INNOVATIONS. HE LAUGHINGLY DENIED THIS HAD ANYTHING TO DO WITH
SLOVENE CULTURE, SAYING IT OCCURS BECAUSE SLOVENIA IS THE RICHEST AND
MOST DEVELOPED PART OF YUGOSLAVIA AND AT ITS LEVEL OF DEVELOPMENT,
THESE KINDS OF CHANGES ARE NATURAL.

3. COMMENT: FOR A CHANGE, SPILJAK PROVIDED A REFRESHING WAY OF
LOOKING AT DEVELOPMENTS HERE -- AT THE MINIMUM, HIS ANALYSIS IF
ACCURATE HOLDS OUT THE POTENTIAL FOR INTERESTING AND SIGNIFICANT
CHANGES IN THE FUTURE. SPILJAK CLAIMED THE LEADERSHIP UNDERSTANDS
THIS EVALUATION PROCESS BUT HE IS THE FIRST YUGOSLAV OFFICIAL
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

WE HAVE HEARD ARTICULATE THE CONCEPT WITH SUCH CLARITY.
YORK

LIMITED OFFICIAL USE

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006

NNN

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LABOR RELATIONS, ECONOMIC DEVELOPMENT, POLICIES, DIPLOMATIC DISCUSSIONS, LABOR UNION OFFICIALS
Control Number: n/a
Copy: SINGLE
Draft Date: 24 APR 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: powellba
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976BELGRA02715
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760159-0841
From: BELGRADE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760426/aaaaavwv.tel
Line Count: 109
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: powellba
Review Comment: n/a
Review Content Flags:
Review Date: 20 MAY 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <20 MAY 2004 by BoyleJA>; APPROVED <14 SEP 2004 by powellba>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: AMBASSADOR'S CONVERATION WITH MIKA SPILJAK
TAGS: ECON, EGEN, YO, YHTUY, (SPILJAK, MIKA)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006